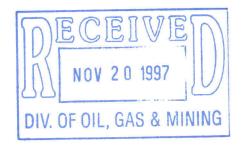


November 18, 1997

Lynn Kunzler Div. of Oil Gas & Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801



RE: Information on Hot Springs Sand and Gravel Operation in Box Elder County

Dear Mr. Kunzler,

I have collected the information that you have requested from our October 24, 1997 meeting to discuss the appropriateness of a mining permit for our hot springs gravel pit. The gravel pit was purchased in July of 1964 as a gravel reserve for the I-15 project as well as for future use.

I was unable to come up with specific amounts of material hauled from the site due to the age of the pit and the type of material that was hauled from the pit. Historically we hauled pit run from the pit for the I-15 job and other jobs in the area. More recently we have hauled pit run and rocks upon demand from our customers. These loads have not been weighed and there-fore we have no record to the amount of material extracted.

As you will notice when you visit the pit there is a great amount of large rocks in the overburden at this location. The overburden has been stripped and the rocks have been exposed. These rocks will be removed as needed until we can get to the underlying material at which time it will be utilized as pit run, crushed aggregates, or whatever the market dictates.

We conducted a geological investigation of the site to determine the origin and make up of the material. It was determined to be a beach deposit of sand and gravel derived form the deposition of alluvial sediment into the Pleistocene lakes of the Bonniville system. See the attached letter and geological maps.

We still feel that based on this review of the site, this gravel pit meets the definition of sand, gravel and rock aggregate as written in your proposed rules, and should there-fore be exempt from permitting by your division. We would however, like to schedule a time for you to come out and observe the site for yourself to determine if it fits within your definition of a sand and gravel operation.

Please call me and we can schedule a time to meet at the site and discuss this issue further. I can be contacted at (801) 732-4070.

Sincerely,

Paul Glauser Environmental Advisor

enclosures